

Kansas Corporation Commission Oil & Gas Conservation Division

Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

| OPERATOR: License # 33786 | API No. 15 | | | |
|--|---|--|--|--|
| Name: Double "D",s LLC | Spot Description: 1290'FNL & 1210'FWL | | | |
| Address 1: 133 East 12th st | se se nw nw Sec. 22 Twp. 13 S. R. 20 ☐ East West | | | |
| Address 2: | 1,290 Feet from V North / South Line of Section | | | |
| City: Hays State: Ks Zip: 67601 + | 1,210 Feet from East / West Line of Section | | | |
| Contact Person: Duane Bieker | Footages Calculated from Nearest Outside Section Corner: | | | |
| Phone: (785) 230-0113 | □ NE □ NW □ SE □ SW | | | |
| CONTRACTOR: License #_ 31548 | County: Ellis | | | |
| Name: Discovery Drilling | Lease Name: Honas Well #: 1 | | | |
| Wellsite Geologist: Alan Downing | Field Name: Pleasant | | | |
| Purchaser: Coffeeville Resources | Producing Formation: Toronto | | | |
| Designate Type of Completion: | Elevation: Ground: 2208 Kelly Bushing: 2216 | | | |
| ✓ New Well Re-Entry Workover | Total Depth: 3962' Plug Back Total Depth: 3610' | | | |
| | Amount of Surface Pipe Set and Cemented at: 221 Feet | | | |
| ☑ Oil □ WSW □ SWD □ SIOW □ Gas □ D&A □ ENHR □ SIGW | Multiple Stage Cementing Collar Used? Yes No | | | |
| ☐ Gas ☐ D&A ☐ ENHR ☐ SIGW - ☐ OG ☐ ☐ GSW ☐ Temp. Abd. | If yes, show depth set: 1524 Feet | | | |
| CM (Coel Bed Methane) | If Alternate II completion, cement circulated from: 1524 | | | |
| Cathodic Other (Core, Expl., etc.): | feet depth to: surface | | | |
| If Workover/Re-entry: Old Well Info as follows: | teet depth to: sx cm. | | | |
| Operator: | | | | |
| Well Name: | Drilling Fluid Management Plan (Data must be collected from the Reserve Pit) | | | |
| Original Comp. Date: Original Total Depth: | | | | |
| Deepening Re-perf. Conv. to ENHR Conv. to SWD | Chloride content: ppm Fluid volume: bbls | | | |
| ☐ Conv. to GSW | Dewatering method used: | | | |
| Plug Back: Plug Back Total Depth | Location of fluid disposal if hauled offsite: | | | |
| Commingled Permit #: | Operator Name: | | | |
| Dual Completion Permit #: | Lease Name: License #: | | | |
| SWD Permit #: | Quarter Sec TwpS. R | | | |
| ENHR Permit #: | County: Permit #: | | | |
| GSW Permit #: | oouniy. | | | |
| 5/5/11 5/12/11 7/16/11 Spud Date or Date Reached TD Completion Date or | | | | |
| Recompletion Date Recompletion Date | | | | |
| Kansas 67202, within 120 days of the spud date, recompletion, workover or of side two of this form will be held confidential for a period of 12 months if re | th the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information equested in writing and submitted with the form (see rule 82-3-107 for confidence of the report shall be attached with this form. ALL CEMENTING TICKETS MUST form with all temporarily abandoned wells. | | | |
| AFFIDAVIT I am the affiant and I hereby certify that all requirements of the statutes, rules and lations promulgated to regulate the oil and gas industry have been fully complied. | KCC Office Use ONLY RECEIVED | | | |
| and the statements herein are complete and correct to the best of my knowled | Confidential Release Date: | | | |
| Signature: Signature: | Letter of Confidentiality Received Date: Confidential Release Date: Wireline Log Received Geologist Report Received UIC Distribution ALT I M Approved by: De Date: 727/1/1 | | | |
| Title: Partner Date: 7/19/11 | UIC Distribution ALT I III Approved by: De Date: 727 | | | |

| Operator Name: Dou | ible "D",s LLC | | | _ Leas | e Name: _ | nullas | w | Well #: ¹ _ | | | |
|---|---|----------------------------|---------------------------------------|----------------------|-------------------|--------------------------|--|------------------------|------------|--------------|-------------|
| Sec. 22 Twp. 13 | s. R. <u>20</u> | East | ✓ West | Cour | ty: Ellis | | | | | | |
| INSTRUCTIONS: She time tool open and clo recovery, and flow rate tine Logs surveyed. A | sed, flowing and shu es if gas to surface te | t-in pressu st, along v | res, whether sl vith final chart(s | hut-in pre | essure read | ched static lev | vel, hydrostatic p | ressures, bottom | hole temp | erature, | fluid |
| Drill Stem Tests Taken | | ✓ Ye | es 🗌 No | | V L | og Forma | ation (Top), Depti | n and Datum | ✓ \$ | Sample | |
| (Attach Additional S | | <u> </u> | | | Nam | е | | Тор | [| Datum | |
| Samples Sent to Geol | ogical Survey | ∐ Y € | | | Anhyd | | | 1541 | | 572 | |
| Cores Taken Electric Log Run | | Y€ | | | Base | 1584 | | 1584 | | 529 504 | |
| Electric Log Submitted | d Electronically | √ Ye | s XNo | | Topek | | | 3221 | - | 004 | |
| (If no, Submit Copy |) | , | | | Heebr | | | 3450 | | 1236 | |
| ist All E. Logs Run: | | | | | Toron | | | 3470 | | 254 274 | |
| Dual Induction, | Compensated D | ensity/ | Neutron | | LKC | 3490 | | 3490 | | 274 | |
| Mirco log | | | | | Arbuc | | | 3880 | -1: | 664 | |
| | | Pone | CASING ort all strings set- | | | _ | fuction etc | | | | |
| Purpose of String | Size Hole Drilled | Siz | te Casing t (In O.D.) | W | eight s. / Ft. | Setting Depth | Type of Cement | # Sacks Used | | and Perce | ∍nt |
| Surface Pipe | 12 1/4" | 8 5/8" | | 23lb | | 221' | Commo | n 150 | 270 € | iel, 3 | %C |
| long string | 7 7/8" | 5 1/2" | | 14# | | 3964' | comm | on 200 | 10% | Salt, | 57 |
| port collar | | | | | | 1524' | SMD | 250 | | | |
| | | | ADDITIONAL | . CEMEN | TING / SQL | JEEZE RECO | RD | | | | |
| Purpose: Perforate | Depth Type of Cement Top Bottom | | | # Sacks Used Type | | | | and Percent Additive | es | | |
| Protect Casing Plug Back TD | 3574,3524, | commo | n | 300sx | : | common | | | | | |
| Plug Off Zone | 1524/surface | smd | | 250sx | | smd circ t | o surface | | | <u> </u> | |
| Shots Per Foot | PERFORATI Specify | ON RECOF | RD - Bridge Plug Each Interval Per | s Set/Typ forated |)e | Acid, | Fracture, Shot, Ce (Amount and Kind | ment Squeeze Reco | ord | Dep | th |
| 4spf | 3862'-68' cong sa | and. | | | | 250gls 7% mud aci | | | | 3862'- | -68' |
| 2spf | 3653' "I" 3677' "J | j" | | | | 750gls 15%mud acid | | | | | 3677 |
| 4spf | 3472'-75' Toronto |) | | | | 250gls 15% mud acid | | | | 3472 | -75' |
| CIBP | 3610' | | | | | | | | | | |
| TUBING RECORD: | Size: 23/8" | Set At: 3610' | | Packe | r At: | Liner Run: | Yes 🗸 |] No | • | | |
| | Production, SWD or EN | IHR. | Producing Met | hod: Pum | ping |] Gas Lift [| Other (Explain) | | | | |
| Date of First, Resumed | | | | | 1 30- | tor | Bbls. | Gas-Oil Ratio | | C | v |
| Date of First, Resumed Estimated Production Per 24 Hours | OII 10 | Bbls. | Gas | Mcf | Wa | 120 | | | | Gravit 40 | |
| Estimated Production Per 24 Hours | | Bbis. | | | | 120 | | | TION INTER | 40 | |
| Estimated Production Per 24 Hours | 10 ON OF GAS: | | | | OF COMPL | 120 ETION: y Comp. | Commingled (Submit ACO-4) | | | 40 | |

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202



PO Box 32 - 740 West Wichita Ave, Russell KS 67665 Phone:785-324-1041 fax:785-483-1087 Email: cementing@ruraltel.net Date: 6/20/2011 Invoice # 4853

P.O.#:

Due Date: 7/20/2011 Division: Russell

Invoice

Contact: DOUBLE D'S Address/Job Location: DOUBLE D'S 133 E 12TH HAYS KS 67601

Reference:

HONAS 1

Description of Work:

Services / Items Included:

non, MetsoBeads, Plater, Gel, FloSeal, Calcium)

Bulk Truck Matl-Material Service Charge

PORT COLLAR

| Thank You For Your Business! | | | | Amount Due: | \$ | 4,670.40 |
|---|----------|------------------------|--|---|----|----------|
| • | | | 6.30% Ellis County Sales Tax | Tax: | \$ | 276.80 |
| | _ | | | Total: | \$ | 4,393.61 |
| | | | SubTot | al for Non-Taxable Items: | \$ | |
| | _ | | Su | bTotal for Taxable Items: | \$ | 4,393.61 |
| Net 30 | | Disco | unt Available <u>ONLY</u> if Invoid within li | e is Paid & Received sted terms of invoice: | \$ | (775.34) |
| Invoice Terms: | | | | SubTotal: | \$ | 5,168.95 |
| | | | | | • | . 400.05 |
| bulk Truck Mileage-Job to Nealest Bulk Flam | | | 163 | | | |
| | 62 19 | \$ 130.89 \$ 117.12 | | | | |
| | 19 | \$ 200.15 | | | | |

Past Due Invoices are subject to a service charge (annual rate of 24%) This does not include any applicable taxes unless it is listed. @2008-2013 Straker Investments, LLC. All rights reserved.

Quantity

160

250

Price

963.85

527.78

3,229.16

Taxable

Yes

Yes Yes

RECEIVED

JUL 2 1 2011

KCC WICHITA

4,670.40

Taxable

Price

Quantity

Applied Payments:

Balance Due: \$



PO Box 32 - 740 West Wichita Ave, Russell KS 67665 Phone:785-324-1041 fax:785-483-1087 Email: cementing@ruraltel.net

Date: 6/15/2011 Invoice # 4959

P.O.#:

Due Date: 7/15/2011 Division: Russell

Invoice

Contact: **DOUBLE D'S** Address/Job Location: DOUBLE D'S 133 E 12TH HAYS KS 67601

Reference:

HONAS 1

Description of Work:

SQUEEZ JOB

| Services / Items Included: | Quantity | Price | Taxable | Item | Quantity | Price | Taxable |
|--|----------|----------------|---------|------|----------|-------|---------|
| Labor | • | \$ 1,982.77 | Yes | | | | |
| Common-Class A | 100 | \$ 1,324.57 | Yes | | | | · |
| Bulk Truck Matl-Material Service Charge | 158 | \$ 343.09 | Yes | | | | 1 |
| Pump Truck Mileage-Job to Nearest Camp | 19 | \$ 205.87 | Yes | | | | |
| Sand | 8 | \$ 146.44 | Yes | | | | l |
| Bulk Truck Mileage-Job to Nearest Bulk Plant | 19 | \$ 120.47 | Yes | | | | |

| Invoice Terms: | | | SubTotal: | \$ | 4,123.22 |
|------------------------------|-----|---|--------------------|----------|----------|
| Net 30 | | Discount Available <u>ONLY</u> if Invoice is F within listed t | \$ | (618.48) | |
| | ٠ _ | SubTotal for Taxable Items | | | 3,504.73 |
| | | SubTotal for I | Non-Taxable Items: | \$ | |
| | _ | | Total: | \$ | 3,504.73 |
| | | 8.30% Russell County Sales Tax | Tax: | \$ | 290.89 |
| Thank You For Your Business! | | \$ | 3,795.63 | | |
| | | App | lied Payments: | | |
| | | | Balance Due: | \$ | 3,795.63 |

Past Due Invoices are subject to a service charge (annual rate of 24%) This does not include any applicable taxes unless it is listed.

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RECEIVED
JUL 2 1 2011
KCC WICHITA

Phone 785-483-2025 Cell 785-324-1041 Home Office P.O. Box 32 Russell, KS 67665

No. 4827

| | Sec. | Twp. | Range | (| County | State | On Location | Finish | | | | |
|--|---------------|--|---------------------------------------|----------|--|------------------------|--|--------------------------|--|--|--|--|
| Date 5-10-11 | 22 | 13 | 20 | E | ,5 | KS | | 5. 85 IN. | | | | |
| Lease Horas | We | ell No. | 1 | Location | on Els | 5 Frenchun | 0PD 1/26511 | <i>+</i> 0 | | | | |
| Contractor 1, Scover | V#-3 | 3 | | | Owner | | | | | | | |
| Type Job Sarface | | | | | To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish | | | | | | | |
| Hole Size 121/4 | | T.D. | 21 | | cementer and helper to assist owner or contractor to do work as listed. | | | | | | | |
| Csg. 55/8 | | Depth | 221 | | Charge / | buble is | | | | | | |
| Tbg. Size | | Depth | ***** | | Street | | | | | | | |
| Tool | | Depth | | | City | | State | | | | | |
| Cement Left in Csg. j.5 | | Shoe Jo | oint | | The above wa | s done to satisfaction | n and supervision of ow | ner agent or contractor. | | | | |
| Meas Line | | Displac | e 13BC | | Cement Amo | unt Ordered 15 | Ocom 30/12 | 2/2/el | | | | |
| | EQUIPME | ENT | _ | | | | | | | | | |
| Pumptrk No. Cemer | | <u>'s</u> | | | Common / | 50 | | | | | | |
| Bulktrk No. Driver | Mal | | | | Poz. Mix | | | | | | | |
| Bulktrk / D. No. Driver | Matt | - | | | Gel. 3 | · | | | | | | |
| JOB SEF | RVICES & | REMA | RKS | | Calcium | 5 | | | | | | |
| Remarks: | | | | | Hulls | | | | | | | |
| Rat Hole | | | | Salt | | | | | | | | |
| Mouse Hole | | | | | Flowseal | | | | | | | |
| Centralizers | | | | | Kol-Seal | | | | | | | |
| Baskets | | | 4 Th. War Law 1 To Salar | | Mud CLR 48 | | and the second s | | | | | |
| D/V or Port Collar | | ···· | | | CFL-117 or C | D110 CAF 38 | | | | | | |
| 85/8 on 1. 10 | m. 55 | 16 | ediction. | | Sand | | | | | | | |
| MIX LOUSICY DE | place | | | | Handling / | 158 <u> </u> | | | | | | |
| Cement Co | cijete | <u>).' </u> | | 95 | Mileage | | | 28.9.4 | | | | |
| | | | | | | FLOAT EQUI | 25.075 A.A. C. 2000 (40.75000 CC) (47. | <u> </u> | | | | |
| *** | | | | | Guide Shoe | | | | | | | |
| | | · | | | Centralizer | | | | | | | |
| \ | | | | | Baskets | | *** | | | | | |
| | | 88 4 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 | | <u> </u> | AFU Inserts | | 4 2 4 4 1 | | | | | |
| · · · · · · · · · · · · · · · · · · · | | | | YS 27 | Float Shoe | | | | | | | |
| | \$0n | | | | Latch Down | | | | | | | |
| ······································ | 77 | | and a section of the section | | 2. 50 | 19. | - 14 | ECEIVED 2 1 200 | | | | |
| - than | B. 5_ | | - 27 | | | | JUL | 2/1 2011 | | | | |
| - 1 | | Taux | | <u>.</u> | Pumptrk Cha | rge Surfa | KCC I | 1//2 | | | | |
| | | | | | Mileage / | 7 | | VICHITA | | | | |
| | · | | · · · · · · · · · · · · · · · · · · · | | | | | ax 7 | | | | |
| x (), | /) | | | | - | | Discou | · } | | | | |
| Signature Salv So | rille | | | | | | Total Char | Je [| | | | |

ne 785-483-2025

Home Office P.O. Box 32 Russell, KS 67665

No. 4638

| Jen 705-324-1041 | | | | ., | | | | · | | |
|---|---------------------------------------|------------------------------|--------------|--|--------------------|--------------------------------------|--|---------------------------------|--|--|
| | Sec. | Twp. | Range | (| County | State | On Location | Finish | | |
| Date 5-12-// | <u></u> | | | EII | .≾ | Ransas | | 10:00m | | |
| Lease //www | v | Vell No. | 1 | Location | on Fllis | RE 153W SI | nto | * · | | |
| Contractor Discovery | Dril | lling I | 3 | | Owner | | | | | |
| Type Job Long strik | V: | 7 | 0 | | | Dilwell Cementing, Including to rent | | and furnish | | |
| Hole Size 78 | <u>)</u> | T.D. | | | cementer ar | nd helper to assist ow | | | | |
| Csg. 52/4/b | | Depth | 4000 | · | Charge 7 | July Ds | | · | | |
| Tbg. Size | | Depth | | | Street | | ······· | | | |
| Tool Part Coller # | 58 | Depth | ·· | | City | | State | | | |
| Cement Left in Csg. 24 | (3) | Shoe Jo | oint 24.50 | <u>) </u> | | as done to satisfaction a | | | | |
| Meas Line | | Displace | · 97B | Z) | Cement Am | ount Ordered 200 | Com 100 So. | f | | |
| *************************************** | EQUIPA | MENT | | | 36/0/1/som | te SOU bal ? | Aut Clear 48 2 | By KCL | | |
| Pumptrk Helpe | | ap_ | | | Common 2 | 00 | | | | |
| Bulktrk S No. Driver | 150 | mbs. | | | Poz. Mix | | | | | |
| Bulktrk No. Driver | | <i>ι</i> ς | | | Gel. | | | | | |
| JOB SE | & REMA | RKS | | Calcium | | | | | | |
| Remarks: | | | <u> </u> | | Hulls | ····· | | | | |
| Rat Hole | | | | Salt / 17 | | | | | | |
| Mouse Hole | | | | | ElowseaF / | 4CL 260 | 2 | | | |
| Centralizers / 3 | 5 7 | 9/1 | 13 5 | 7 | Kol-Seal /OCX | | | | | |
| Baskets 2 / | 4 | S'8' | | | Mud CLR 48 500 gal | | | | | |
| D/V or Port Collar 58 | , | 5.11.1 ₁₁ | | | CFL-117 or | CD110 CAF 38 | | | | |
| *************************************** | | -200 | | | Sand | | | | | |
| · · | | | | | Handling | 27 | | | | |
| | | | | | Mileage | | | | | |
| | | | | | | FLOAT EQUIPM | | × | | |
| | | | | | Guide Shoe | | | | | |
| | · · · · · · · · · · · · · · · · · · · | | | | Centralizer | 8 | | | | |
| | | | | | Baskets | 3 | | | | |
| | | <u> </u> | | <u> </u> | AFU Inserts | | | | | |
| | | | | | Float Shoe | 12 2 2 | | RECE. | | |
| | | | | | Latch Down | 1 | 2888. 28. 08. 08. 08. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. 0. | "CEIVED | | |
| | | | <u> </u> | | | 1 Age 2 - | 1 | JUL 2 1 2010 | | |
| | | | | | | | KC | RECEIVED JUL 2 1 2011 C WICHITA | | |
| | | ¹ A consideration | | | Pumptrk Ch | arge Prod L | suf String | VICHITA | | |
| Maria | | | | | Mileage / | 91 | | | | |
| 17/ | | | ····· | | | | Tax | | | |
| <u> </u> | · · · |) | | | | | Discount | | | |
| Signature Fale & | mel | rle | | |] | | Total Charge | | | |
| | | | | | | | | | | |

| Phone 785-483-2025 Cell 785-324-1041 | Home Office | P.O. Bo | ox 32 Russell, KS 67665 No. | 4853 |
|--|---|--------------|--|------------------------|
| Sec. | Twp. Range | | County State On Location | Finish |
| Date 6-16-11 | | E | 1. Some KS | 12.45pm |
| Lease Honas v | Vell No. | Location | on Elis IE 15 1/2W 5'NTO | |
| Contractor Stewart | | ing seems of | Owner | |
| Type Job. Port Collar | | W. 34 | To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment | it and furnish |
| Hole Size 778 | T.D. | | cementer and helper to assist owner or contractor to d | o work as listed |
| Csg. 5 /2 | Depth | | Charge Timble 1) 9 | |
| Tbg. Size 23/8 | Depth | | Street | |
| Tool Port Collais | Depth 1524 | | City State | n |
| Cement Left in Csg | Shoe Joint | | The above was done to satisfaction and supervision of owne | r agent or contractor. |
| Meas Line | Displace | | Cement Amount Ordered 250 (MI) C /4 | #Flo |
| EQUIP | MENT | | 125ED WADSK | |
| Pumptrk 9 No. Cementer Helper | لَّهُ عَلَيْهِ الْعَالَمُ الْعَلَيْمِ الْعَلَيْمِ الْعَلَيْمِ الْعَلَيْمِ الْعَلَيْمِ الْعَلَيْمِ الْعَلَيْمِ | | Common | |
| | ale | | Poz. Mix | |
| Bulktrk / No. Driver M. Driver / Driver | + | | Gelia | |
| JOB SERVICES | & REMARKS | | Calcium | 200 000 |
| Remarks: | | | Hulls | |
| Rat Hole | the said of the said | | Salt | Salan Salah |
| Mouse Hole | Secretary of the second | A | Flowseal | |
| Centralizers | | | Kol-Seal * | |
| Baskets | | | Mud CLR 48 | |
| D/V of Port Collar | yan kan da | 4.5 | CFL-117 or CD110 CAF 38 | 1 1 |
| Post Inland 1534 | Dua 6 2795 1 | Tost | Sand | 8 |
| Diva to 1000 One | A | cobton | Handling | A CONTRACTOR |
| MX Kosky Com | | | Mileage | |
| Close Tool Diresion | · · · // | 'n | FLOAT EQUIPMENT | |
| 5 Wints y Wash a | Lenten | | Guide Shoe | |
| | | | Centralizer | |
| The second secon | | | Baskets | |
| \$600 mm | | | AFU inserts | |
| | | | Float Shoe | |
| | | | Latch Down | , |
| | ************************************** | | | CEIVED |
| | | | JU | 1 2 1 200 |
| The second second | 7 : \$ 7 × 28 ; \$ 24 : \$. ? | | Pumptrk Charge KCC | ZU]] |
| The Section of Management | January January | | Mileage | WICHITA |
| The state of the s | | and the same | Ta: | x |
| The state of the s | | | Discount Control of the Control of t | t |
| Signature (| | is the said | Total Charge | Э |

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

- TERMS: Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "QUALITY" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwith-standing the foregoing in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.
- ATTORNEY FEES: In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.
- PRICES AND TAXES: All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.
- TOWING CHARGES: QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by QUALITY, will be charged to and paid by CUSTOMER.
- PREPARATION CHARGES: If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay QUALITY for the expenses incurred by QUALITY as a result of the cancellation.
- DEADHAUL, CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.
- SERVICE CONDITIONS AND LIABILITIES: 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, its officers, agents and employees, from and against any and all claims or suits for:
- (A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:
- (B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.
- 2. With respect to any of QUALITY'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.
- 3. QUALITY does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.
- WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.
 - 2. More specifically:
- (A) Nothing in this contract shall be constructed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.
- (B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.